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damages of \$50 per day for the first 3 days, and \$100 per day thereafter, up to \$1,000 in total.

(d) *Agreement to comply with Customs Regulations applicable to Customs security areas at airports.* If access to Customs security areas at airports is desired, the principal (including its employees, agents, and contractors) agrees to comply with the Customs Regulations applicable to Customs security areas at airports. If the principal defaults, the obligors (principal and surety, jointly and severally) agree to pay liquidated damages of \$1000 for each default or such other amount as may be authorized by law or regulation.

(e) *Exoneration of the United States.* The obligors agree to exonerate the United States and its officers from any risk, loss, or expense arising out of entry or clearance of the carrier, or handling of the articles on board.

(f) *Unlawful disposition.* (1) Principal agrees that it will not allow seized or detained merchandise, marked with warning labels of the fact of seizure or detention, to be placed on board a vessel, vehicle, or aircraft for exportation or to be otherwise disposed of without written permission from Customs, and that if it fails to prevent such placement or other disposition, it will redeliver the merchandise to Customs within 30 days, upon demand made within 10 days of Customs discovery of the unlawful placement or other disposition.

(2) Principal agrees that it will act, in regard to merchandise in its possession on the date the redelivery demand is issued, in accordance with any Customs demand for redelivery made within 10 days of Customs discovery that there is reasonable cause to believe that the merchandise was exported in violation of the export control laws.

(3) Obligors agree that if the principal defaults in either of these obligations, they will pay, as liquidated damages, an amount equal to three times the value of the merchandise which was not redelivered.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by T.D. 85-123, 50 FR 29954, July 23, 1985; T.D. 87-124, 52 FR 37135, Oct. 5, 1987; T.D. 88-46, 53 FR 29230, Aug. 3, 1988; 53 FR 44186, Nov. 2, 1988; T.D. 88-72, 53 FR 45902, Nov. 15, 1988; T.D. 93-37, 58 FR 30984, May 28, 1993]

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EFFECTIVE DATE NOTE: By T.D. 01-26, 66 FR 16854, Mar. 28, 2001, in § 113.64, the second sentence of paragraph (b) was amended by adding the words "or prohibited" after the word "restricted", effective Apr. 27, 2001.

§ 113.65 Repayment of erroneous drawback payment bond conditions.

A bond for repayment of erroneous drawback shall contain the conditions listed in this section and may be either a single entry or continuous bond.

REPAYMENT OF ERRONEOUS DRAWBACK PAYMENT BOND CONDITIONS

(a) *Agreement Under Exporter's Summary Procedure.* If the principal is permitted to file drawback claims under the exporter's summary procedure and the principal's drawback claims are paid before a final determination that the principal:

(1) Is entitled to the drawback claimed.

(2) Correctly described the exported articles in the claim.

(3) Correctly stated the facts of exportation in the claim; the principal and surety, jointly and severally agree to refund, on demand, any money claimed by Customs to have been erroneously paid as a result of an incorrect statement on the drawback claim, and

(4) The principal agrees to pay any charges due Customs as provided by law or regulation.

(b) *Agreement Under Accelerated Payment of Drawback.* If the principal receives an accelerated payment of drawback based on the principal's calculation of the drawback claim, the principal and surety, jointly and severally agree to refund on demand the full amount of any overpayment, as determined on liquidation of the drawback claim.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by T.D. 86-178, 51 FR 34959, Oct. 1, 1986; T.D. 88-72, 53 FR 45902, Nov. 15, 1988]

§ 113.66 Control of containers and instruments of international traffic bond conditions.

A bond for control of containers and instruments of international traffic shall contain the conditions listed in this section and shall be a continuous bond.

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CONTROL OF CONTAINERS AND INSTRUMENTS OF INTERNATIONAL TRAFFIC BOND CONDITIONS

(a) *Agreement to Enter Any Diverted Instrument of International Traffic.* If the principal brings in and takes out of the Customs territory of the United States an instrument of international traffic without entry and without payment of duty, as provided by the Customs Regulations and section 322(a), Tariff Act of 1930, as amended, the principal agrees to:

(1) Report promptly to Customs when the instrument is diverted to point-to-point local traffic in the Customs territory of the United States or when the instrument is otherwise withdrawn in the Customs territory of the United States from its use as an instrument of international traffic;

(2) Promptly enter the instrument unless exempt from entry; and

(3) Pay any duty due on the instrument at the rate in effect and in its condition on the date of diversion or withdrawal.

(b) *Agreement to Comply With the Provisions of subheading 9801.00.10, or 9803.00.50 Harmonized Tariff Schedule of the United States (HTSUS).* If the principal gets free release of any serially numbered shipping container classifiable under subheading 9801.00.10 or 9803.00.50, HTSUS, the principal agrees:

(1) Not to advance the value or improve its condition abroad or claim (or make a previous claim) drawback on, any container released under subheading 9801.00.10, HTSUS;

(2) To pay the initial duty due and otherwise comply with every condition in subheading 9803.00.50, HTSUS, on any container released under that item;

(3) To mark that container in the manner required by Customs;

(4) To keep records which show the current status of that container in service and the disposition of that container if taken out of service; and

(5) To remove or strike out the markings on that container when it is taken out of service or when the principal transfers ownership of it.

(c) *Agreement to comply with application approved under 19 CFR 10.41b(b).* If the principal establishes a program for the cross-border movements of ship-

ping devices based upon an application approved as provided in §10.41b(b) of this chapter (19 CFR 10.41b(b)), the principal agrees:

(1) To timely file complete and accurate reports on the shipping devices, and to pay any applicable duty due on the devices and repairs made to such devices, as provided in the approved application;

(2) To retain complete and accurate records regarding the shipping devices, and to make such records available to Customs for inspection and audit upon reasonable notice, as also required in the approved application; and

(3) To otherwise comply with every other condition of the approved application.

(d) *Consequence of Default.* (1) If the principal defaults on agreements in these conditions, the obligors (principal and surety, jointly and severally) agree to pay liquidated damages equal to the value of the merchandise involved in the default or such other amount as may be authorized by law or regulation.

(2) It is understood and agreed that the amount to be collected under these conditions shall be based upon the quantity and value of the merchandise as determined by Customs.

(3) If the principal defaults on the agreements in these conditions and the default does not involve merchandise, the obligors agree to pay liquidated damages of \$1,000 for each default or such other amount as may be authorized by law or regulation. It is understood and agreed that whether the default involves merchandise is determined by Customs.

[T.D. 84-213, 49 FR 41171, Oct. 19, 1984, as amended by T.D. 88-72, 53 FR 45902, Nov. 15, 1988; T.D. 89-1, 53 FR 51255, Dec. 21, 1988; T.D. 96-20, 61 FR 7990, Mar. 1, 1996]

§ 113.67 Commercial gauger and commercial laboratory bond conditions.

COMMERCIAL GAUGER BOND CONDITIONS

(a) *Commercial gauger bond conditions.* A commercial gauger's bond shall contain the conditions listed in this section and shall be a continuous bond.

(1) If the principal is a commercial gauger whose reports of gauging or